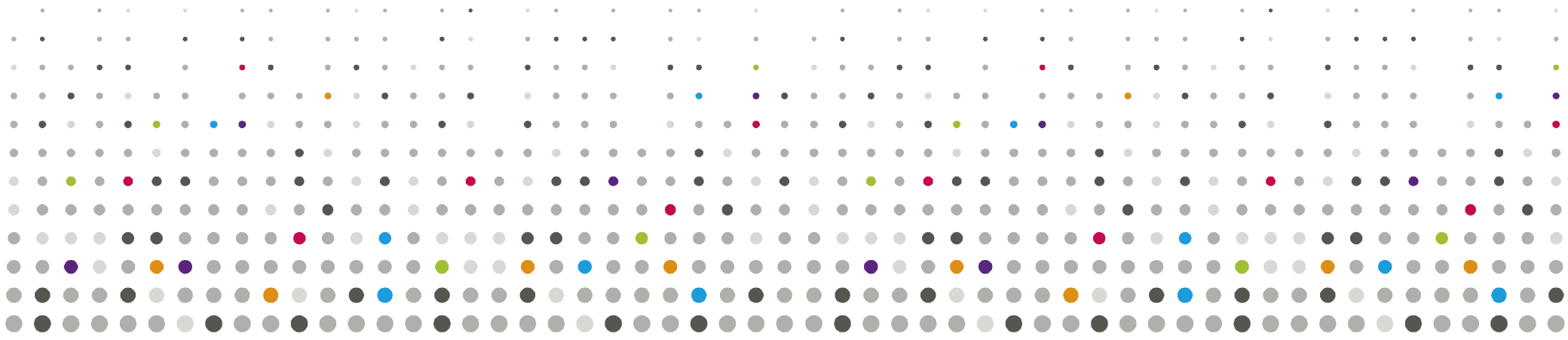


Mycronic, Q1 2016

Lena Olving, President and CEO

Per Ekstedt, CFO

Robert Göthner, Sr VP, Business area SMT



Mycronic in the electronics industry

>500

employees in
10 countries

>40 years

of high-tech innovation
experience

>470 patents

strong IP portfolio

>2,300 customers

supported by solutions from
two business areas SMT and PG.
- SMT for mounting components on PCBs
- PG for the production of photomasks

>97%

of total revenues
from exports

>50 countries

market coverage through
subsidiaries and distributors

● Mycronic sub's and main offices

Key events Q1 2016

- Marketplace

- The global SMT market declined 19 percent in 2015
- Beginning of 2016 indicates continued weak SMT market
- Continued positive development of photomask market
- Products
 - introduction of high-speed jet dispensing continues globally

- Order intake/sales

- Order intake of 794 MSEK and order backlog of 1,516 MSEK
- Orders received for five mask writers with delivery during 2017
 - the first order for a Prexision-MMS
 - one advanced display mask writer
 - two replacement systems for display applications
 - one FPS system

Key events Q1 2016

- Financial highlights

- Increased sales 13%
- Positive currency effects 2 MSEK on sales
- EBIT 32 MSEK, 9%
- Cash at 1,157 MSEK

- Corporate

- New Sr VP Operations in place from June 2016
- Acquisition of RoyoTech, provider of SMD Tower
- Decision to merge Mycronic AB and Mycronic Technologies AB
- Second line support within PG moved to Japan
- Mycronic in the finals of the European Business Award – in the category of best export company



Mycronic at Productronica in November, 2015

Events after end of Q1 2016

- Major events after 31 March, 2016
 - Launch on 6 April at Photomask Japan of Prexision-800

Mycronic outlook

The board's assessment is that sales 2016 will be at the level of SEK 1,900 million.

Display photomask market update

- The market situation remains positive with production at high level
 - Trend towards more complex and valuable photomasks continues due to increased product development activities
 - The photomask volumes grew 5% to 17,000 units and revenue grew 6% to 610 MUSD in 2015
 - Photomask volumes expected to grow 3% annually 2016-2019
 - Revenue expected to grow 5% annually to reach 750 MUSD 2019
- Mycronic market performance
 - Order for the first Prexision-MMS – for quality assurance
 - Orders for two replacement mask writers – in total five orders
 - over time it is difficult to support older systems and guarantee productivity
 - attractive offering as it secures capacity with a modern mask writer that meets market requirements
 - Order for one down-sized Prexision-8 with possibilities for later upgrade

Source: IHS, March 2016

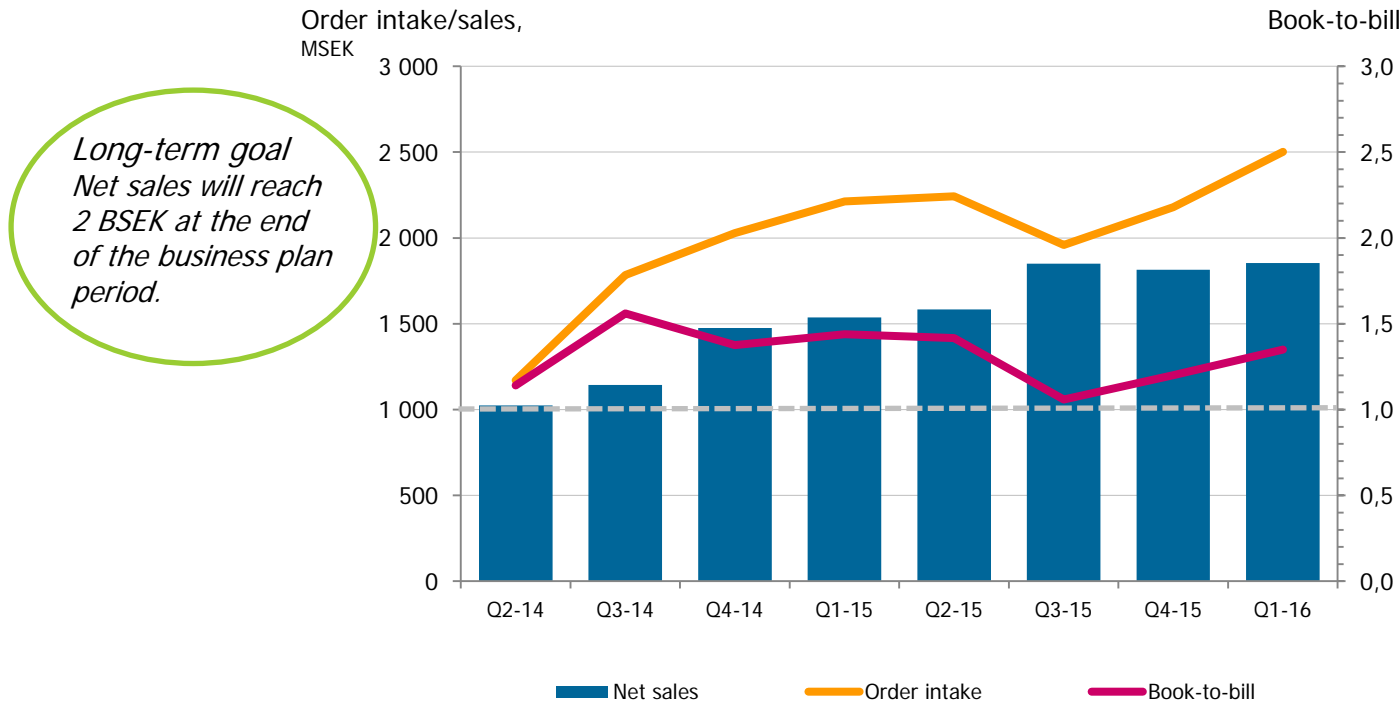
Multi-purpose photomask market update

- A broad market with many segments
 - Electronic packaging, touch screens and MEMS (Micro-Electro-Mechanical Systems) among others
 - Positive trends in the more advanced segments which benefit Mycronic's FPS
 - Market estimated at 10-14 MUSD annually
- Mycronic market performance
 - Mycronic has received order for one FPS system
 - Mycronic assesses that the company is gaining market share

Source: Mycronic

Order intake and net sales

4 quarters rolling

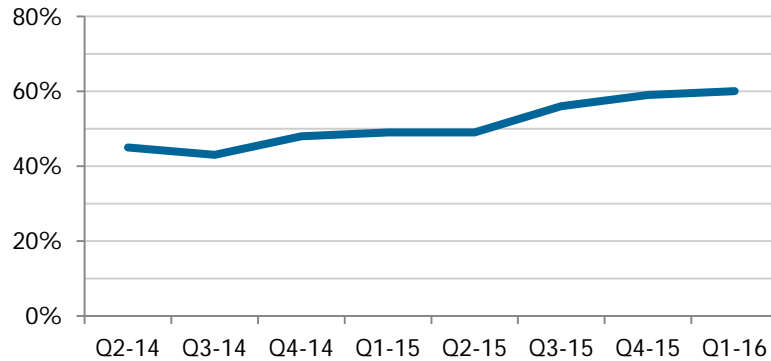


- SMT order intake declined in comparison with record high Q1 in 2015
- PG order intake includes five mask writers; first Prexision-MMS, two replacement mask writers, one advanced display mask writer and one FPS
- Order backlog record high at 1,516 (869) MSEK, including 13 mask writers for delivery 2016 & 2017

Margins

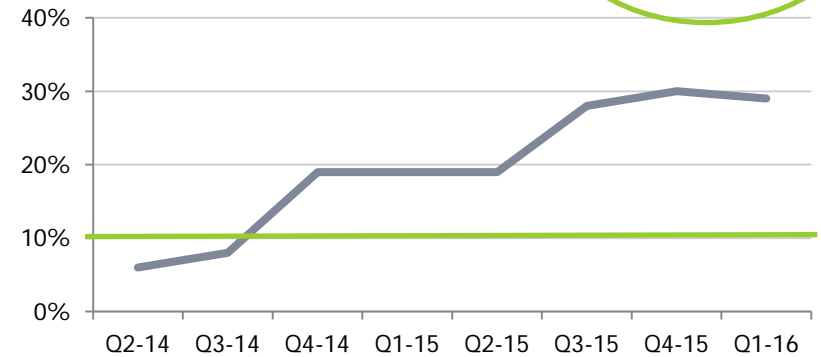
4 quarters rolling

Gross margin



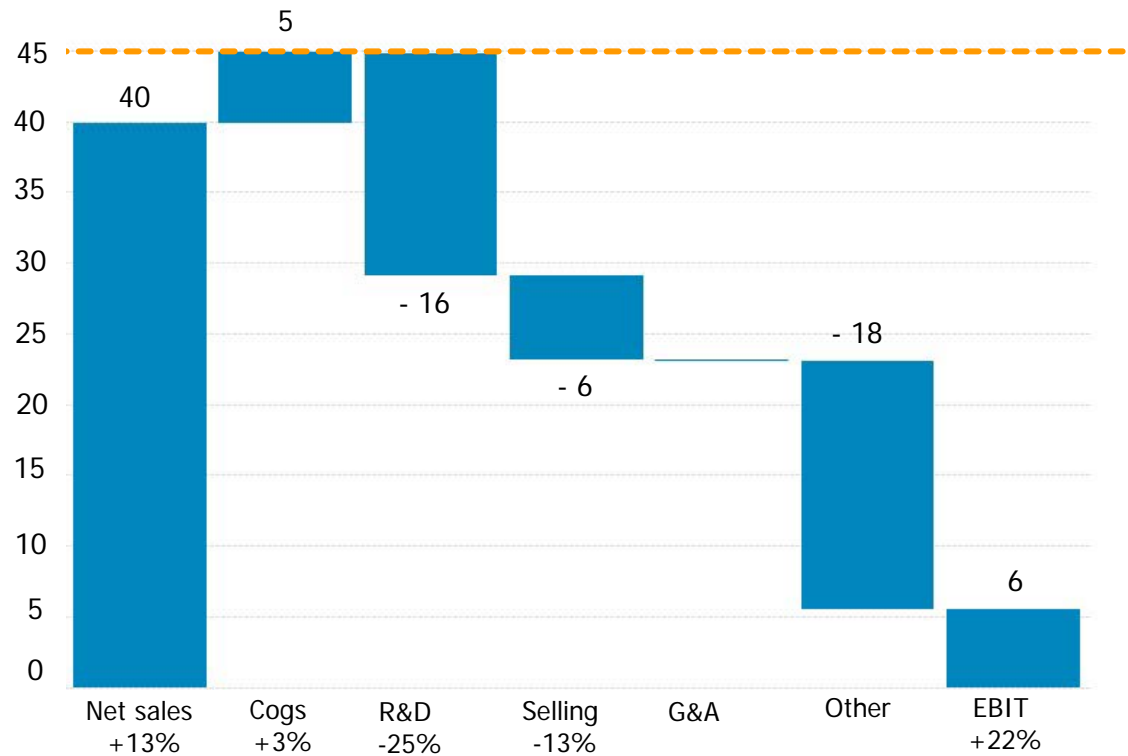
- Gross margin 55% (47%) in Q1
- Gross margin rolling 4 quarters at 60%
- Higher sales volumes, as a result of mask writer delivery

EBIT margin



- EBIT margin 9% (8%) in Q1
- EBIT margin rolling 4 quarters at 29%
- Product development continues at high pace
- Investments in sales organization and marketing

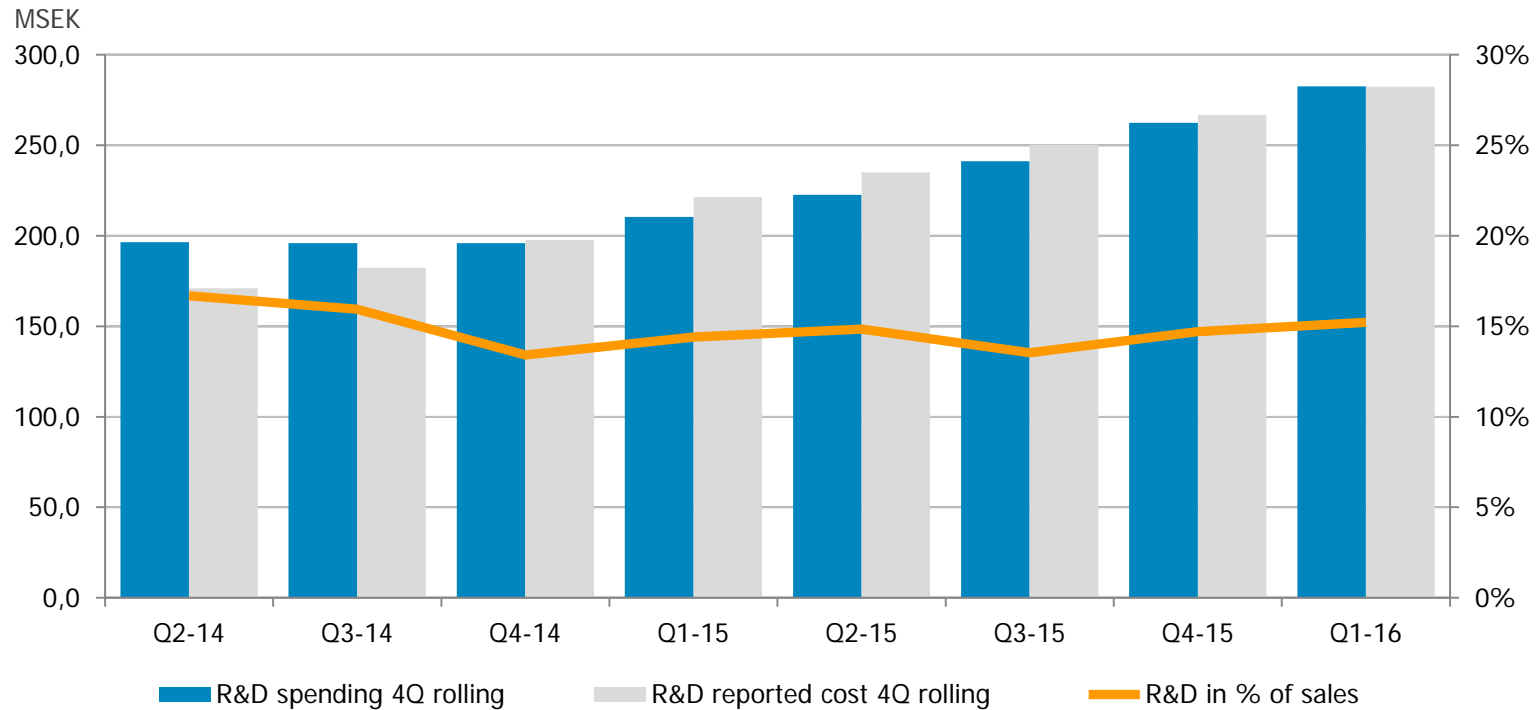
The "bridge" Q1 2016 vs Q1 2015



- Investments in growth
- R&D costs 16 MSEK higher, refers to SMT
- Selling costs increase due to investments in organization

R&D costs

4 quarters rolling



- R&D activities continues at high pace in line with strategy

Summary by segment

	Q1 2016	Q1 2015
SMT	152	233
PG	642	238
Order intake (MSEK)	794	471
SMT	51	77
PG	1,465	792
Order backlog (MSEK)	1,516	869
SMT	153	222
PG	191	82
Net sales (MSEK)	344	304
SMT	40	45
PG	66	53
Gross margin (%)	55	47
SMT	-35	4
PG	44	20
EBIT margin (%)	9	8

Cash flow, MSEK

	Q1 2016	Q1 2015	FY 2015
Cash flow from operations	36	12	550
Change in working capital	277	192	111
Cash flow from operations after changes in working capital	313	204	661
Investments in development	-5	-	-8
Other investments, net	-50	-6	-29
Cash flow before financing activities	258	198	624
Financing	-	-	-392
Cash flow	258	198	233
Cash at end of period	1,157	869	898

- Changes in working capital primarily due to customer payments
- Other investments include acquisition of RoyoTech

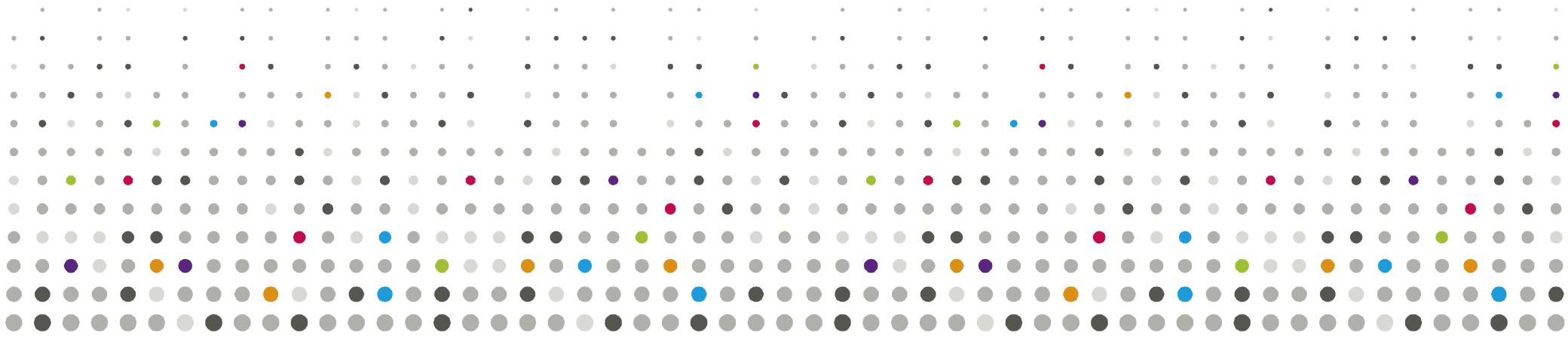
Financial summary Q1 2016

Positive development of order intake, sales and cash

- Order backlog record high at 1,516 MSEK
- Improved gross margin
 - Delivery of one mask writer
- EBIT at 32 (26) MSEK or 9% (8%)
 - Investments in product development in SMT
- Continued strong cash flow and financial position
 - Cash 1,157 MSEK after acquisition of RoyoTech in Q1, 2016

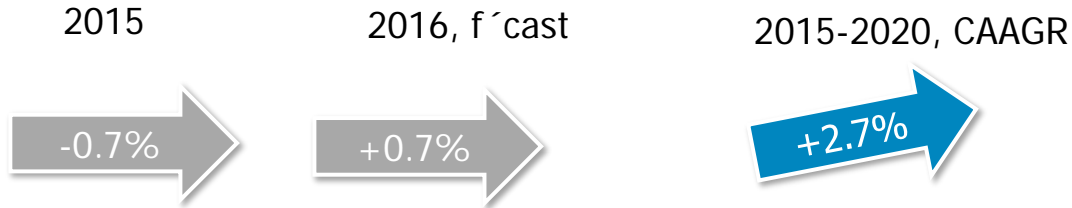
Mycronic SMT

Robert Göthner, SVP BA SMT



SMT – market update

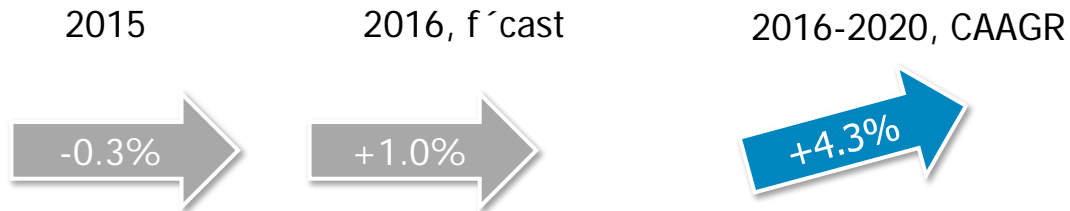
Electronics industry



Source: Prismark, March 2016

- Long-term positive outlook for electronics industry and semiconductor volumes
- 2016 growth adjusted downwards, but still better than 2015

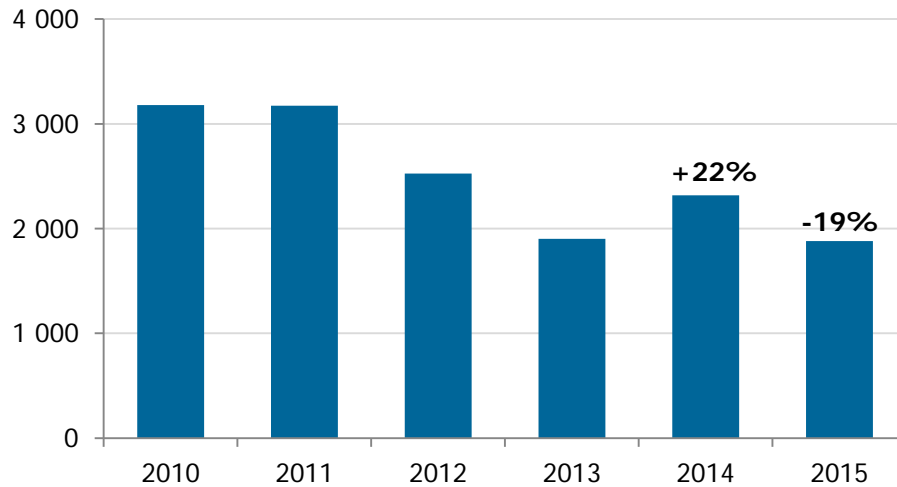
Global semiconductor



Source: Prismark, March 2016

SMT – market update

USD million



Source: PROTEC, January, 2016

SMT market development 2015

- Global market declined 19%
- Mycronic gained market shares with kept margins

SMT market development 2016

- Weak trend from 2015 has now an impact on Mycronic's order intake and sales
- Q1 is roughly on par with typical historical Q1 results
- Note: 2015 Q1 was extraordinary strong - all-time-high
- We expect a stronger H2 than H1
- Mycronic assessment for SMT equipment demand is cautious

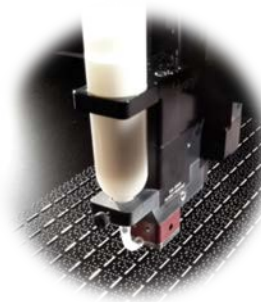
High-speed jet dispensing

New capabilities will increase the adressable market 3-5 times

Jet printing

a unique non-contact technology for applying **solder paste** on PCBs

an alternative to **screen printers** in the SMT assembly lines.



Jet dispensing

with **new 3rd party dispensing head**
over 200 fluids can be jetted (in addition to solder paste)

for high speed, high precision dispensing.

Summary

- Market launch in November 2015
- Fastest Dispenser in the world $\times 5-10$
- New market segments
- Current addressable market ~150 USD
- New global sales team in place
- High interest in market
- Available in Q2, 2016



Assembly applications

- SMT
- PCB
- LED
- MEMS



Industry needs faster dispensing

A growth opportunity for Mycronic

Current line configuration

High-end electronics,
low/mid volume



Mycronic line configuration



New segments

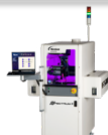
High volume electronics,
smart phone boards



Semiconductor,
LED technology



stencil printer



dispenser



Mycronic Jet Dispenser

The new high-performance Mycronic Jet Dispenser is up to 10 times faster than traditional dispensers and can replace several dispensers configured in-line.

Acquisition of RoyoTech

SMD Tower - a strategic asset

- An automated storage solution suitable for a wide range of assembly manufacturers globally
- A part of Mycronic's assembly concept since 2009
- Integrated into Mycronic 4.0
- Over 1,000 storage towers installed world-wide
- 60% of storage towers at high-volume customers
- High interest from high volume players – same manufacturers may need jet dispensers



SMD Tower
for storing component reels
up to 15"

When passion meets innovation ●